

SENATE BILL REPORT

SB 5384

As Reported by Senate Committee On:
Local Government, February 21, 2019

Title: An act relating to the location of tiny house communities.

Brief Description: Concerning the location of tiny house communities.

Sponsors: Senators Zeiger, Palumbo, Short, Nguyen, Van De Wege and Wilson, C..

Brief History:

Committee Activity: Local Government: 2/05/19, 2/21/19 [DPS, DNP].

Brief Summary of First Substitute Bill

- Allows Growth Management Act counties to authorize establishing tiny house communities when there is a shortage of affordable housing within reasonable distance from urban services.

SENATE COMMITTEE ON LOCAL GOVERNMENT

Majority Report: That Substitute Senate Bill No. 5384 be substituted therefor, and the substitute bill do pass.

Signed by Senators Takko, Chair; Short, Ranking Member; Honeyford and Lovelett.

Minority Report: Do not pass.

Signed by Senator Salomon, Vice Chair.

Staff: Greg Vogel (786-7413)

Background: Growth Management Act. The Growth Management Act (GMA) is the comprehensive land use planning framework for counties and cities in Washington. The GMA sets forth three broad planning obligations for those counties and cities who plan fully under the GMA: the county legislative authority must adopt a countywide planning policy; the county, and the cities within the county, must designate critical areas, agricultural lands, forestlands, and mineral resource lands, and adopt development regulations accordingly; and the county must designate and take other actions related to urban growth areas.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

The GMA directs planning jurisdictions to adopt internally consistent comprehensive land use plans that are generalized, coordinated land use policy statements of the governing body. Comprehensive plans must address specified planning elements, each of which is a subset of a comprehensive plan. The implementation of comprehensive plans occurs through locally adopted development regulations.

Urban Growth Area. Counties that fully plan under the GMA must designate urban growth areas (UGA), within which urban growth must be encouraged and outside of which growth may occur only if it is not urban in nature. Planning jurisdictions must include within their UGAs sufficient areas and densities to accommodate projected urban growth for the succeeding 20-year period. In addition, cities must include sufficient areas to accommodate the broad range of needs and uses that will accompany the projected urban growth, including, as appropriate, medical, governmental, institutional, commercial, service, retail, and other nonresidential uses.

Limited Area of More Intensive Rural Development. One element that county comprehensive plans must include is a rural element. The rural element covers rural areas, which are outside of designated urban areas and which are not in long-term resource use. This separate category of comprehensive planning provides guidance on how these non-resource lands may be developed. Within rural areas, the GMA also provides guidelines for limited areas of more intensive rural development (LAMIRD), and other land use options for rural economic development. The guidelines describe three different types of LAMIRDS: (1) the first type consisting of the infill, development, or redevelopment of existing commercial, industrial, residential or mixed use areas; (2) the second type consisting of the intensification of development on lots containing, or new development of, small-scale recreational or tourist uses; and (3) the third type consisting of the intensification of development on lots containing isolated nonresidential uses, or new development of isolated cottage industries and isolated small-scale businesses.

Manufactured/Mobile Home Landlord-Tenant Act. The Manufactured/Mobile Home Landlord Tenant Act regulates the relationship between the owner of a manufactured/mobile home community (landlord) and the owner of the manufactured or mobile home (tenant). The act specifies what must be in the rental agreement before a tenant moves in, the responsibilities of the landlord and the tenant, and provides for a dispute resolution program through the Attorney General's Office.

2018 International Residential Code Appendix Q. 2018 International Residential Code Appendix Q (Appendix Q) covers provisions for tiny houses, defined as dwellings with a maximum floor area of 400 square feet. Appendix Q relaxes various requirements in the body of the code as they apply to houses with 400 square feet in area or less. Attention is specifically paid to features such as compact stairs, including stair handrails and headroom, ladders, reduced ceiling heights in lofts and guard and emergency escape and rescue opening requirements at lofts.

American National Standards Institute. The American National Standards Institute is a private non-profit organization that oversees the development of voluntary consensus standards for products, services, processes, systems, and personnel in the United States. The

organization also coordinates U.S. standards with international standards so that U.S. products can be used worldwide.

Self-Certification for Recreational Vehicles and Park Trailers. The Department of Labor & Industries allows qualifying recreational vehicle and/or park trailer manufacturers to be self-certified as to compliance with the American National Standards Institute standard for recreational vehicles and the standard for park trailers.

Binding Site Plans. A binding site plan is an alternative method of land division to the subdivision process. Binding site plans may only be used for divisions for industrial or commercial use, lease of mobile homes or travel trailers, and condominiums. For binding site plans to be used, local governments must adopt procedures for their review and approval. A specific binding site plan provides exact locations and detail for the type of information appropriately addressed as a part of property division, such as infrastructure, certification, and other requirements typical of subdivisions.

Summary of Bill (First Substitute): A county required or choosing to plan under the GMA is allowed to establish a process for creating tiny house communities located outside of UGAs or LAMIRDs. This process may only be authorized when a shortage of affordable housing within a reasonable distance from urban services has been identified utilizing data from the Office of Financial Management indicating housing costs within the UGA or LAMIRD exceed 50 percent of the area median family income.

The landowner of the property upon which the tiny house community is built must make reasonable accommodation for utility hookups for providing water, power, and sewer services. Tiny house communities may be sited outside a UGA only if water, power, and sewerage services are provided through site-contained measures, which include but are not limited to self-generated power and composting toilets. Utility services may not be extended beyond UGA boundaries to tiny house communities. Tenants of tiny house communities are entitled to all rights and subject to all duties and penalties under the Manufactured/Mobile Home Landlord-Tenant Act.

Tiny house communities are exempt from any maximum density restrictions.

"Tiny house communities" are defined as real property rented or held out for lease or life estate to others for the placement of tiny houses or tiny houses with wheels utilizing the binding site plan process.

"Tiny house" is defined as a dwelling to be used as permanent housing with permanent provisions for living, sleeping, eating, cooking, and sanitation built in accordance with the 2018 International Residential Code Appendix Q.

"Tiny house with wheels" is defined as a dwelling to be used as permanent housing with permanent provisions for living, sleeping, eating, cooking, and sanitation that meets the certification requirements of the American National Standards Institute standard for recreational vehicles and the standard for park trailers, or that is self-certified under state law.

EFFECT OF CHANGES MADE BY LOCAL GOVERNMENT COMMITTEE (First Substitute):

- Clarifies that tiny house communities are exempt from subdivision regulations and may utilize the binding site plan process.
- Exempts tiny house communities from any maximum density restrictions.
- Specifies that tiny house communities may be sited outside UGAs only if utility services are provided through site-contained measures, which include self-generated power and composting toilets.
- Prohibits utility services from being extended beyond UGA boundaries to tiny house communities.

Appropriation: None.

Fiscal Note: Available.

Creates Committee/Commission/Task Force that includes Legislative members: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony on Original Bill: *The committee recommended a different version of the bill than what was heard.* PRO: There have been a few bills introduced that are related to tiny houses, a market poised to take off, and there is a need, obviously. There is a major housing shortage, and a few years ago, this concept was created as a big solution for affordable housing. It is a creative way to address the housing crisis. There are thousands of tiny home dwellers who fear having the government remove them from the place they live in. Builders struggling to manufacture housing support this as well. Advocates have hit roadblock after roadblock with counties, who claim there is nothing in the code to deal with liabilities and other concerns. This would enable counties to develop their own plans and tiny house siting.

The goal is not to open the door wide open, but allow it under certain circumstances. It allows flexibility and is permissive. There is a lack of affordable housing within reasonable distance of UGA. The state should move forward on lower impact forms of development. This is a reasonable approach. There is a willingness to work with stakeholders to make sure this can work. There needs to be new options and new kinds of housing, an area we need to open the door for.

CON: Manufactured home parks could be promising if lots and homes are small and affordable. However, counties are still bound by a requirement to have a variety of rural densities. A tiny house community of ten units may require a lot of land. There are no urban services for these communities. Therefore, this would be a continued strain on infrastructure costs. A septic system or community well would be expensive to develop. There are no transit services in rural areas. Walking and biking on rural roads are difficult when there are no shoulders to enable it. Adding increased development capacity before completing the planning process required under Hirst also causes concern. Ongoing costs of services and socializing those costs across counties instead of charging full costs to tiny homes could cause problems.

Additionally, there are no provisions in this bill to require affordable housing. A certain percentage of housing should be set at a certain area median income or below. The efforts on housing affordability are appreciated, but the right balance must be struck.

Persons Testifying: PRO: Senator Hans Zeiger, Prime Sponsor; Todd McKellips, Washington Tiny House Association; Paul Jewell, Washington State Association of Counties.

CON: Bryce Yadon, Futurewise; Anne Fritzel, Washington State Department of Commerce.

Persons Signed In To Testify But Not Testifying: No one.